

These minutes are a summary of the discussion. The audible recording is available at the following website: <http://bit.ly/T3S7CB>

Planning & Zoning Commission Meeting
Minutes of February 4, 2015
1st Floor North Conference Room - City Hall

Present: Chairman Jeremy Goldstein, Vice-Chair Holly P. Shriner, Kristy Carter, Jim Edmonds, Laura Berner Hudson, Karl Koon and Joe Minicozzi

Absent: None

Pre-Meeting - 4:30 p.m.

The Commission (1) requested digital versions of plans, possibly through DropBox; (2) reviewed a wording amendment for subdivisions; and (3) discussed and reviewed the process for the review of the Shelburne Drive Subdivision/Conditional Zoning with two motions needing to be made - 1 for the conditional zoning and 1 for the subdivision, with staff noting that there may be no need for the conditional zoning.

Regular Meeting - 5:00 p.m.

Chairman Goldstein called the meeting to order at 5:00 p.m. and informed the audience of the public hearing process.

Administrative

- Mr. Koon moved to approve the minutes of the January 7, 2015, meeting, with a typographical amendment. This motion was seconded by Ms. Carter and carried unanimously by a 7-0 vote.

Agenda Items

- (1) Review of a request for the renovation of a large existing building into retail, restaurant and studio space with associated site work and parking, located on 1.56 acres at 95 Roberts Street, PINs 9638-97-5796 and 9638-97-7846. The project contact is Jesse Gardner. Planning coordinating review - Jessica Bernstein**

Urban Planner Jessica Bernstein oriented the Commission to the site location and said that this is a request to review site plans for the renovation of an existing building with associated site improvements and the creation of parking. This project is considered a Level II review pursuant to Section 7-5-9 of the UDO.

The project site consists of two parcels with a combined area of 1.56 acres, located at 95 Roberts Street in the River Arts District. The parcel to the west of Roberts Street contains an existing building and is zoned River District and the parcel to the east of Roberts Street is undeveloped, zoned Commercial Industrial (CI). Other zoning in the vicinity includes River and CI to the south, CI and RM-8 to the east and CI to the north. The site is bounded by the Norfolk Southern Rail Line to the west (with a 100-year floodplain).

The applicant is proposing the renovation of the existing building with the creation of surface parking on both parcels (as well as within the adjacent railroad right-of-way). The building appears to be two-stories when viewed from Roberts Street but has five levels from the rear and has an overall height of 67' 2 ⁵/₈ " and a total GFA of approximately 60,978 square feet. The renovation will include reinstalling both storefront and roll-up doors as well as operable windows and the creation of a courtyard. Uses proposed include retail, restaurant(s), artist

studios and manufacturing (winery).

Plans show a 47-space parking lot to the rear of the building (accessed via Payne's Way) and the creation of 21 reverse angled parking spaces across Roberts Street on the CI-zoned parcel for a total of 68 parking spaces (although newly created on-street spaces only count as 0.75 of a space per UDO). This total is expected to be under the minimum number of spaces required per uses within the building (which are yet to be finalized) and the applicant will likely need to obtain a variance from the Board of Adjustment allowing the reduction in parking spaces - which is supportable based on existing site constraints.

The bulk of the parking behind the building is proposed within the Railroad ROW and the 21 spaces on the east side of Roberts Street will be either within the City's ROW or handled through a full-access easement.

There are existing sidewalks along a portion of the building face which will be extended along the entire frontage. Across Roberts Street, a five-foot sidewalk will be provided behind the new parking spaces.

Landscaping is required for this project and includes street trees, parking lot and building impact landscaping and dumpster screening. Open space (3,398 square feet) has been provided in the hardscaped courtyard to the south of the building.

There are two retaining walls in the application, one at each parking area (up to 6 feet and 10 feet in height). Compliance with standards in 7-10-5 is required relating to aesthetic treatment or landscaped screening.

Prior to final zoning approval, more information to determine compliance with parking counts will be needed. As mentioned above, a variance will likely be required for a reduction in the overall number of parking spaces. Also, if the parking across Roberts Street (on the CI parcel) is proposed to remain on private property with an easement rather than within the City's ROW, a variance would be needed to allow parking within the front setback.

This project was recommended for approval by the Planning & Design Review Committee of the Asheville Area Riverfront Redevelopment Commission (AARRC) on January 7, 2015, and by the full Commission on January 15, 2015. Approval of any applicable Board of Adjustment variances for parking, setback and landscaping will be required prior to issuance of a zoning permit.

Staff recommends approval of the proposal as shown on plans and renderings, pursuant to the applicant obtaining any applicable variances.

There was discussion, initiated by Chairman Goldstein, about using the railroad right-of-way for parking and the possible Board of Adjustment variance to reduce parking spaces, once the total number of parking spaces are determined.

When Vice-Chair Shriner asked how many tenants could be located in the building based on the square footage, Ms. Bernstein couldn't answer because it would depend on the size and number of studios, etc.

When Ms. Carter wondered if a code amendment is necessary regarding parking in the River Arts District due to the number of other properties that will run into that problem, Ms. Bernstein said that a couple of years ago there was a wording amendment that reduced the number of parking spaces required in the River Arts District. That is already a benefit to the redevelopment of the buildings. In this area, the City is exploring structured parking and partnerships to alleviate those needs.

When Mr. Koon asked if there was a conflict of interest for him on this item due to his serving on the Asheville Area Riverfront Commission, Assistant City Attorney Jannice Ashley replied that she saw no conflict.

Mr. Jesse Gardner, project engineer, said that they are pursuing a lease for the parking spaces with the railroad but the best they will give is a month-to-month lease. There is a lot of level of review with the railroad and they have been working on the lease for 8 months. He then explained the new stair tower entrances and exits. Regarding possible tenants, he said they are pursuing a shell permit for the building for basic systems, and then they will pursue tenant upfit spaces one at a time, noting they could have as many as 18 unique tenants, some of which have already expressed interest in potentially leasing multiple spaces. Possible tenants include bakeries, coffee roasters, artist studios, with mostly creative production spaces - no full service restaurants at this point.

In response to Vice-Chair Shriner, Mr. Gardner said that due to the topography of the property across Roberts Street on the CI property, 21 parking spaces is all that can be built, and they will still need a small retaining wall.

Mr. Gardner responded to Mr. Edmonds when he asked about the railroad right-of-way. Mr. Gardner said that it was difficult for their surveyor to locate the original right-of-way but they will build a hard fence 25-feet from the centerline of the closest tracks.

Chairman Goldstein opened the public hearing at 5:19 p.m. and when no one spoke, he closed the public hearing at 5:19 p.m.

Mr. Koon moved to approve the Level II site plan review for 95 Roberts Street subject to the conditions in the TRC report and that the applicant obtain any variances determined necessary by staff. This motion was seconded by Mr. Minicozzi and carried unanimously by a 7-0 vote.

(2) Request for rezoning property near 230 Hilliard Avenue at 99999 S. French Broad Avenue and at 99999 S. Grove Street, PINs 9648-28-3815 (portion of) and 9648-28-4728 from RS-8 Residential Single Family High Density District to Central Business District. Planner coordinating review - Sasha Vrtunski

Urban Planner Sasha Vrtunski oriented the Commission to the site and that the applicant is requesting review of a straight rezoning request from Central Business District (CBD) and RS-8 Residential Single-Family High Density to Central Business District.

The site proposed for rezoning consists of two parcels with a combined area of .66 acres, located at the southwest corner of Hilliard and South French Broad Avenues. The site does not have any buildings and is landscaped. The larger parcel is split zoned Central Business District (CBD) and Residential Single-Family High Density (RS-8) with the majority of the parcel already being CBD. The smaller, interior parcel is zoned RS-8 and is .03 acre or 1300 square feet. The total area that would be re-zoned from RS-8 to CBD is approximately .11 acre (less than 5000 square feet).

The applicant is proposing a standard rezoning of two parcels to Central Business District (CBD).

This is the second standard rezoning request received by staff in this immediate location to expand the CBD along its southwest boundary. In the past year, City Council approved a rezoning request along Hilliard Avenue and including the corner of Hilliard and Asheland Avenues to the east (1.65 acres from RB and RS-8 to CBD at 226 Hilliard on June 24, 2014). In 2013, there were two other re-zonings on the east side of Asheland Avenue.

Approval of the rezoning request would require an adjustment to the Downtown Height Zones map. Similar to the previous requests along Asheland Avenue, staff proposes extending the intermediate height zone in this location, which would allow for a maximum height of 145 feet. Additionally, the context transition edge, which is already in place in this area, would be applied along the parcel boundary adjacent to RS-8 zoning and would limit the building height allowed adjacent to that neighborhood. No formal action by the Commission would be required to amend the Downtown Height Zones map because it's only extending what is on the parent parcel.

As the Context Transition Zone is already in effect along this boundary, no additional review is required, but the Zone will extend farther south along a new boundary between the CBD and RS-8 if approved. Staff gave an update to the Downtown Commission on December 12, 2014.

This site sits at the corner of Hilliard and South French Broad Avenues at the edge of the CBD with Aston Park to the west (zoned RM-8); offices and commercial uses (United Way Building) to the north (zoned CBD); commercial properties to the east (zoned CBD); and single-family residential to the south (zoned RS-8). Uses allowed in the CBD would be appropriate and compatible on this site. Design standards found in the UDO would require that any future development be pulled up towards Hilliard Avenue. While the maximum height permitted (145 feet) would be significantly greater than current RS-8 zoning (40 feet), the context transition edge would limit the height of structures within 100 feet of the neighborhood and provide a gradual scale at that property line.

There are policies throughout the *Asheville City Development Plan 2025* supporting the need for higher-densities and a mix of uses, especially concentrating on downtown and areas close to the CBD for this type of development. CBD zoning allows for a greater variety of uses and higher residential densities while maintaining and requiring design elements that will encourage multi-modal transportation and an urban form of development that is more amenable to the pedestrian experience.

Although the area proposed for rezoning is small, rezoning it to CBD will allow a greater use of the overall larger parcel. The smaller parcel, zoned RS-8, is not large enough to build upon, thus it makes sense to rezone it and allow it to be potentially consolidated with the parcel to the north in the future.

Similarly, the *Downtown Master Plan* anticipated that growth on the edges of the Central Business District would occur. A number of maps in the plan expanded beyond the current CBD boundary because these edge areas were noted as having the potential to grow and improve following an urban development pattern.

The *Strategic Plan* includes several objectives supporting higher density infill development with investment downtown and efforts that continue to implement the *Downtown Master Plan*. If the proposed rezoning is approved, future development on the site would be allowed higher residential densities and follow strict design requirements with emphasis on the pedestrian experience which would be consistent with goals of the *Strategic Plan* pertaining to downtown vitality and overall quality of life.

Based on the above findings and the analysis provided in the report and as stated in the recommendation below, staff finds this request to be reasonable.

Considerations:

- This request would clean up the zoning district lines along parcel lines. It is current practice to have zoning district boundaries follow parcel lines.
- The zoning district lines were originally drawn at a time when there was not a Context Transition Zone, and therefore no protection for adjacent neighborhoods.

- Expansion of the CBD is generally recommended in the *2025 Plan*, and this rezoning will allow a greater use of the land on the corner of Hilliard and South French Broad.
- Application of the context transition edge and development standards in the UDO pertaining to building placement will minimize some impact to the adjacent neighborhood with future development
- Several similar requests have been approved in this immediate location over the past year and a half.

Staff recommends approval of the proposed rezoning, finding that the request to expand the CBD is consistent with City-adopted plans and strategic goals for development in this area.

Mr. Bob Gelder, applicant, said that their objective is to clean up the area to make all three parcels have the same zoning designation.

Chairman Goldstein opened the public hearing at 5:28 p.m. and when no one spoke, he then closed it at 5:28 p.m.

Ms. Carter said that the neighborhood will be under pressure for development and the Commission will need to be sensitive to that.

Ms. Hudson moved to approve the the zoning map amendment from Central Business District and RS-8 to Central Business District as a standard rezoning and find that the request is reasonable and is consistent with the Comprehensive Plan and other adopted plans, based on information provided in the staff report and as stated in the staff recommendation. This motion was seconded by Vice-Chair Shriner and carried unanimously by a 7-0 vote.

(3) Review of a request for a Conditional Zoning and Major Subdivision from RM-8 Residential Multi-Family Medium Density District and RS-8 Residential Single-Family High Density District to RS-8 Residential Single-Family High Density District/Conditional Zoning for a 9-lot major subdivision located on 1.85 acres off of Shelburne Drive, PIN 9628-92-4520. The project contact is Michael Lovoy. Planner coordinating review - Julia Fields

Urban Planner Julia Fields oriented the Commission to the site location and said that the applicant is requesting conditional zoning from RS-8 (Residential Single-Family High Density District) and RM-8 (Residential Multi-Family Medium Density District) to RS-8CZ (Residential Single-Family High Density Conditional Zoning District) and major subdivision preliminary plat approval for a nine lot subdivision, Shelburne Drive Subdivision, located off an existing gravel drive (Shelburne Drive) in West Asheville.

The project site consists of one parcel approximately 1.85 acres in size. The property is accessed via an existing gravel drive located on a platted right of way. This gravel drive is addressed as Shelburne Drive which intersects with Sand Hill Road at Shelburne Road. The site is split zoned. A portion of the property is zoned RS-8 with the remaining portion zoned RM-8. Properties to the east, north, south, and south/west are zoned RS-8 and contain single family homes (south/west), open space associated with a subdivision (east), and vacant land that is a portion of a property on which a church is located (south). Other properties to the west are zoned RM-8 and are developed with multiple dwellings. The subject property is currently vacant and wooded and slopes to the east. Rhododendron Creek runs to the east of the property and touches the northeast corner of the development site; the required thirty foot stream buffer is shown on the proposed plans.

Mountain Sun Building and Design, LLC proposes to improve the existing Shelburne Drive and create a new city street to provide access to nine new residential lots. All lots comply with lot size and lot width standards but changes are requested to setback orientation on three of the lots as they are configured.

Access to the site will be via the improved Shelburne Drive (20 feet of pavement on right-of-way that is over 27 feet in width but varies in size). Coming off of this improved street will be a new street (unnamed) built to city standards with 20 feet of pavement and 45 feet of right-of-way. Sidewalks are not required pursuant to Section 7-11-8 of the UDO. Street lights will be provided per city standards. Parking will be provided on the individual lots.

Street trees are required along the new road. Tree save area is required for this subdivision equal to thirty percent of the total area, or 19,222 square feet. Twenty-three thousand, six hundred and twenty one (23,621) square feet of tree save area is provided. Calculations for plantings are needed prior to Final TRC.

Twenty percent of the site is required to be dedicated as open space (12,815 square feet). A condition to reduce the amount of open space provided is requested and supported by staff. The only reason this is a conditional zoning, which will have to be approved by City Council, is because they don't meet the open space standards. The original proposal with the trail system meets the open space requirements, but we can't count the trail system. Ms. Fields said that shortly before this meeting, the engineer was able to add some additional open space at the northeast corner which will allegedly bring them into compliance with the open space standards. Because staff has not had the opportunity to verify that standard, she suggested the Commission proceed with the two votes (one for the conditional zoning and one for the subdivision) just in case there is a problem with their open space calculations.

This proposal was approved with conditions by the Technical Review Committee on January 5, 2015. The major subdivision must be reviewed and approved by the Asheville Planning and Zoning Commission. The conditional zoning request must be reviewed by the Commission, and requires review by the Asheville City Council and Final TRC prior to zoning approval.

As stated above, conditions to setback orientation and open space provision have been requested and are supported by staff.

The property is surrounded on three sides with parcels zoned RS-8 and containing single family homes. To the west the project site abuts property zoned RM-8 containing single-family homes and duplexes. As this project is single-family in nature, the development is compatible with the development in the immediate vicinity. The project design respects the stream buffer to the east of the site.

The proposal supports the goal found in the *City Development Plan 2025* of pursuing compatible infill development within the City.

Based on the above findings and the analysis provided in the report and as stated in the recommendation below, staff finds this request to be reasonable.

Considerations:

- The project proposes a single-family subdivision in an area with similar development patterns.
- The project proposes improving an existing substandard accessway to a number of lots as part of the development.

Staff recommends approval of the major subdivision and proposed conditional zoning to allow for the subdivision of the subject parcel into nine single-family lots. This recommendation includes approval of the requested conditions regarding open space and setbacks and the conditions outlined in the TRC report.

In response to Chairman Goldstein, Ms. Fields said that the additional open space will

have a deed restriction on the lot. She said we have had a few instances where open space has actually be located on individual properties and our ordinance does not say that is inappropriate. There would have to be an easement and documented that these would be open space available to everyone. The open space will be owned by the homeowners association.

Mr. Mike Lovoy, engineer of record, explained how the open space requirement is now met in the northeastern corner. They are still planning for the foot path around the entire length of the property which will link up potentially with the greenway. He didn't think it would be feasible to put the greenway through their property due to the steepness of their property, but they would be happy to have that connectivity via a foot path, but not a paved greenway path. He said that due to 911 concerns, they will work with the surrounding neighbors on a new name for Shelburne Drive. He said that they will widen the existing gravel Shelburne Drive to City standards.

There was considerable discussion, initiated by Chairman Goldstein, about extending the right-of-way through the vacant property to the south edge of their property for potential connectivity to Zephyr Drive. If that is a condition of the conditional zoning, both parties would have to agree to it. Mr. Lovoy said they did not want to have the connectivity to the south edge of their property because (1) they don't want potential traffic from subdivision travelling through this small community; (2) they would lose square footage on that lot; and (3) the setback required for the right-of-way would make the home planned for that lot down the hill.

In response to Ms. Carter, Mr. Lavoy said they are not positive which side of Rhododendron Creek the greenway would follow.

Chairman Goldstein opened the public hearing on the conditional zoning request at 5:51 p.m.

The following individuals spoke in support of the conditional zoning and subdivision for various reasons, noting that none favored a right-of-way on the southern part of the property, some being, but are not limited to: the subdivision seems to fit in well with the neighborhood; hope that the developer will try to save the large maple tree when widening Shelburne Drive;

Mr. John Powell, owner of property on Shelburne Drive

The following individuals spoke in opposition to the conditional zoning and subdivision for various reasons, some being, but are not limited to: existing infrastructure problems; the project will double the number of houses currently using the existing gravel Shelburne Drive; up to 30 additional cars a day will use the existing dangerous 5-way intersection at Shelburne Road and Shelburne Drive that has a blind curve, vegetation overgrowth, and frequent times trash cans blocking the view; request review by Transportation Department and Police Department of incidents at 5-way intersection to determine the best way to handle the traffic and determine sidewalk needs; no stormwater provisions on the new road; no sidewalks for school children or pedestrians; question if City trash trucks will pick up their trash in front of their homes or will they have to continue to take the cans up to Shelburne Road; what requirements will need to be met for the installation of the sewer line across the Rhododendron Creek; request for all reports to be sent to neighborhood representative Mr. King; too many homes in the small subdivision; loss of dense woods; will all the trees in the tree save area remain in perpetuity; after the project is built will individual property owners be able to cut trees on their property; request for developer to save specific trees which will be brought to the attention of the developer; will the sewer line go under or over Rhododendron Creek; will the easement that runs the length of the property be cleared; if there is a condition for the right-of-way to be extended to the southern portion of the property, it will push the house into the tree save area; when stormwater and erosion control plans are available, the Davenport Park Neighborhood Association representative would like to see them; if Shelburne Drive is converted to a 20-foot paved road, it will come very close to a home and impact their bushes, a retaining wall and portion of driveway; Shelburne Drive is now a quiet dead-end road will create additional traffic; concern about runoff and erosion into Davenport Park

Subdivision; and there is an informal dirt trail along the west side of Rhododendron Creek and the greenway should be placed on that side:

Mr. Jonathan King, resident on Shelburne Drive
Dr. Jeffries, property owner on Shelburne Drive
Ms. Julie Mayfield, representing the Davenport Park Neighborhood Association - no objection to the concept of this type of development
Ms. Myra Freeman, resident on Sand Hill Road
Ms. Aileen Mason, resident on Shelburne Drive
Ms. Gabrielle Graeter, resident in Davenport Park

Chairman Goldstein closed the public hearing on the public hearing request at 6:15 p.m.

Ms. Fields and Mr. Lovoy responded to several questions/comments raised by the public, about trash pick-up, the tree save area, sewer line crossing, street width, impact on house if road is widened, sewer line location, reason for no sidewalks (not enough room in the right-of-way), pointing out that most concerns point to existing problems that will be exasperated by traffic. Ms. Fields said that she will work with the City's Neighborhood Coordinator and the respective individual departments on the concerns raised with communication back to Mr. King.

Chairman Goldstein noted that for this review, the Commission should not be considering the new plan with the revised open space, because that plan does not need conditional zoning. The Commission should be reviewing the original plan submitted.

In response to Mr. Edmonds, Mr. Lovoy said that currently Shelburne Drive is a deeded public right-of-way.

In response to Ms. Hudson, Ms. Fields said that the threshold to require sidewalks in a subdivision is 20 units.

When Ms. Carter asked if there was a developer/neighborhood meeting, Ms. Fields replied there was not.

In response to Chairman Goldstein, Mr. Lovoy said they plan to pave 20 feet within the 27 feet right-of-way on Shelburne Drive. On the north side of Shelburne Drive they propose to do curb and gutter. Unfortunately the paved portion will encroach into the Freeman's property on Sand Hill Road, but they made improvements to their property into the right-of-way. He pushed the road as far south as they could to say away from the Freeman's property and the 28-inch maple tree which is in the right-of-way. He would certainly support narrowing the road from 20 feet in width; however, it is a Fire Code requirement. He will continue to work with the City to see if there are other options to narrow the road.

In response to Ms. Hudson, Mr. Lovoy said all they need is a couple of feet to miss the maple tree if a solution can be found. Mr. Minicozzi suggested asking the City's arborist to see if the tree could be saved, depending on the solution.

There was discussion, initiated by Mr. Minicozzi, around improvements to the 5-way intersection, with suggestions being a round-about, contact with the N.C. Dept. of Transportation to possibly remove some of the bank, and removal of site constricting vegetation. City Traffic Engineer Jeff Moore said that he would be happy to study the 5-way intersection and report back to the community his findings, noting that if a round-about is agreed upon, it would require a N.C. Dept. of Transportation easement and inclusion in the City's Capital Improvement Plan.

Mr. Lovoy said that the tree save areas do not include the sewer easement. Two trees will have to be removed because of the sewer easement. During the sewer easement construction, they will be improving the stream bank. They will build small footprint homes in this

good infill project. They will be building Green Built Homes and installing a new 6-inch waterline. They will comply with all City's standards regarding stormwater and runoff. Regardless of which side of Rhododendron Creek the greenway is built, they want to be connected to it.

Mr. Minicozzi was concerned about no connectivity in the project since it is called for in the Unified Development Ordinance and also in the 2025 Comprehensive Plan. The role of the Commission is to follow the rules adopted by the City Council.

When Mr. Minicozzi questioned if Shelburne Drive could be designated as an alley which pavement would then be 12-16 feet, Mr. Glines said that the City wants to improve basic infrastructure from a safety standpoint when they can.

When Mr. Moore said that he would favor extending the right-of-way to the south edge of the property line, Ms. Hudson supported extending the right-of-way and suggested it be paper street which could stay greenspace for now which will leave it open for possible connectivity in the future.

Ms. Hudson pointed out that the City doesn't want to create pocketed, isolated neighborhoods and explained that in the future as they grow to come together, there would be an opportunity to connect them to the larger communities.

Ms. Emily Boyd, property owner, said that she is investing a lot of money for infrastructure and breaking even on the lots. She is trying to build a nice sustainable community. She explained that there are two lots that suit themselves to garages - one at the north end and one at the south end. If she extended the right-of-way to the south, they could not build the garage. She was not in favor of extending the right-of-way, noting that the residents on Shelburne Drive also do not support extending the right-of-way.

Assistant City Attorney Ashley stated that the Commission cannot impose any conditions on the applicant unless they agree to it. They can suggest a condition, but what is voted on cannot include a condition that is not mutually agreed upon.

Chairman Goldstein moved to recommend approval of the conditional zoning request of Mountain Sun Building and Design for property located off of Shelburne Drive from RS-8 Residential Single-Family High Density District and RM-8 Residential Multi-Family Medium Density District to RS-8CZ Residential Single-Family High Density District/Conditional Zoning, including the requested setback, subject to the following conditions: (1) approval is for a 9-lot subdivision located on a proposed new road off of Shelburne Drive; (2) open space is reduced from the required 12,815 square feet to 8,832 square feet; (3) the building design, site design, construction materials, and orientation on the site must substantially comply with the site plan, which will be incorporated by reference as Exhibit C, and the final approved site plan that is incorporated into the zoning permit. Any major deviations from these plans will require a reconsideration of the project by the reviewing boards; and (4) all legally required local, state and federal permits and approvals must be obtained prior to initiation of construction and any pertinent legal requirements shall be met; and find that the request is reasonable, is in the public interest, and is consistent with the Comprehensive Plan and other adopted plans in that: (1) The proposal supports the goal found in the City's comprehensive plan of pursuing compatible infill development; and (2) The proposed subdivision includes the improvement of an existing substandard accessway, within the City. This motion was seconded by Vice-Chair Shriner.

When Ms. Hudson asked for a friendly amendment to the motion to include an extension of the 40-foot right-of-way to the south of the property edge. Since the applicant does not agree to that condition, Chairman Goldstein did not accept the friendly amendment.

The original motion made by Chairman Goldstein and seconded by Vice-Chair Shriner carried on a 4-3 vote, with Ms. Carter, Ms. Hudson and Mr. Minicozzi voting "no."

Chairman Goldstein then opened the public hearing on the subdivision request at 7:34 p.m., reminding the audience that comments are restricted to whether or not the proposed subdivision meets or does not meet the technical requirements.

Chairman Goldstein closed the public hearing on the subdivision request at 7:34 p.m.

Mr. Koon moved to approve the major subdivision preliminary plat for Shelburne Drive Subdivision subject to the conditions in the TRC report and subject to approval of the conditional zoning by the Asheville City Council. This motion was seconded by Chairman Goldstein and carried on a 6-1 vote, with Mr. Minicozzi voting "no."

Chairman Goldstein announced a short recess at 7:34 p.m.

(4) Request for a Conditional Zoning from Industrial District to RM-16 Residential Multi-Family High Density District for the development of 108 total apartments in four 3-story buildings located on Sardis Road, PIN 9617-90-3637, with conditions regarding access and lot frontage. The property is owned by Winston-Salem Industries for the Blind and the contact is Dennis H. Burton, Planner coordinating review - Jessica Bernstein

Urban Planner Jessica Bernstein oriented the Commission to the site location and said the applicant is requesting review of a conditional zoning request from Industrial (IND) and Commercial Industrial (CI) to RM-16 Residential Multi-family High Density District -Conditional Zone (RM-16 CZ), in accordance with Section 7-7-8 of the UDO, for the construction of a multi-family apartment complex.

She said that the amended proposal for the Greymont Village Apartments is nearly identical to the original submittal reviewed by the Commission on August 6, 2014. Details such as number of buildings, number of units, etc. have not changed. She described the revisions as follows:

- Reduces the size of the proposed area for development from 11.8 acres down to 9.3 acres.
- The amount of open space and tree save area required subsequently decreases.
- The remaining 2.5 acres of the current parcel would be recombined with the adjacent land fronting on Sardis Road (Industries for the Blind - IFB) and remain zoned Commercial Industrial and Industrial.
- The area eliminated from the original conditional application includes the "flag pole" of the existing parcel, which provides the only lot frontage for the project area. The requested zoning district, RM-16, requires a minimum of 50 feet of frontage on a public street or private street built to City standards.
- The proposal results in a "land-locked parcel" which would require a condition by City Council. Lot frontage along a public street is required in order to maintain safe access to residential properties.
- The flag pole portion of the lot is encumbered by a Progress Energy transmission line easement and that frontage along Sardis Road was never shown as an access point into the project in the previous submittal, so the proposed amendment is not different in terms of access nor does it reduce access to the site. The single point of egress and ingress remains from Greymont Lane.
- Should this project be approved, staff recommends that a dedicated right-of-way or easement be established along Greymont Lane to ensure access to the portion of the

development within the City limits (similar to the provisions for access to non-residential uses on lots without frontage found in Section 7-11-2(k) of the UDO). It is possible this could possibly mitigate the condition on lot frontage.

- The amendment leaves more land for future expansion of the IFB site. Previously, significant area would have to be reserved for property line buffers along the pole and to the rear of the building. This amendment has the potential to benefit future industrial expansion.
- The applicant has added an addendum to their purchase agreement with IFB regarding potentially reserving and upfitting residential units for employees, providing those units at a reduced rate and possibly providing an walking trail between the two uses. While these commitments are positive and beneficial to the IFB employees, they are not directly aligned with the City's goals and objectives towards affordability and are not securable or able to be monitored by the City.

She has heard from one neighbor (PolyLinks) who was concerned about the increase of traffic on Greymont Lane.

One of the smart growth principles in the Asheville City Development Plan 2025 highlights the importance of [infill] development where infrastructure can be easily provided. Also there are comments within the Plan relating to schools as "places of...important neighborhood and community centers". There are two new schools proposed in close proximity to this site. However, the Plan does stress the importance of linking residential neighborhoods, schools and residential amenities with safe pedestrian and bike access and this location is lacking in that regard.

Also in the Plan is a recommendation for residential projects to have a higher density, especially able to support transit and the future expansion possibilities of the Asheville Regional Transit system (currently no City transit routes run along Sardis Road). This proposal is at just around 9 units per acre (when taking into account the full acreage, as staff does as standard practice to determine maximum residential density) which is at the low end of the minimum density determined as necessary for optimum transit performance and doesn't maximize the density potential for the site. Staff is bound to look at only the City's property separately from the County's property.

Affordable housing options are highlighted throughout the Plan as a strong community need; and as of the writing of this report, no dedicated affordable or workforce rents are proposed. The addendum indicates an intent to provide units at a reduced rate for employees of the IFB, however there is no clear and stated information on rates or duration of dedication provided.

One of the City of Asheville's adopted Smart Growth Land Use policies noted in the Plan states that Industrially zoned land should be reserved for industrial purposes and not lost to lower density development. The proposed conditional rezoning does not comply with this policy. Additionally, the Sustainable Economic Development Strategic Plan (2000) notes that the shortage of industrial sites within the City as an area of potential concern, stating that the City should seek to ensure the availability of suitable sites will meet the business needs of the City into the future. Staff's analysis is that the size, access and slopes/encumbrances on this site are comparable to other industrial areas and do not impede its suitability for industrial uses.

City Council's adopted goals for 2014-2015 stress expanding Asheville supply of affordable housing and maintaining a high quality of life for residents. This project does not offer any dedicated affordable units and there is some question as to whether locating residential uses in an area surrounded by non-residential and industrial uses is the most ideal location to enhance quality of life. City Council has a goal on expanding the supply of housing and this proposal does not maximize the residential density in the proposed zoning district. Additionally, one of Council's strategic goals is to support economic growth and this rezoning would be a loss of scarcely

available industrial land; a loss of land on which to locate a business that has the zoning in place to attract private investment and create jobs.

Based on policies stated in the Comprehensive Plan and other plans, as well as direction provided by City Council in recent policy discussions, staff cannot recommend support of the proposed rezoning. With the concern over the loss of Industrially-zoned land for a proposal that does not substantially align with City Council's adopted strategic plan goals, the basis for support is low.

However, both the Planning and Zoning Commission and City Council have supported similar rezoning actions in the recent past. The Commission and City Council may consider this rezoning independent of the existing policies. While staff still does not support approval, should the Commission and Council decide otherwise, staff strongly recommends that the affordable component be revised to align with the City's measurable processes and that a dedicated right-of-way (preferred) or easement be secured along Greymont Lane in order to allow the application to further some important City policies and the public interest. She said there is also an existing 60-foot easement to get to the Duke Energy site and they might coordinate with them for the City's right-of-way.

There was considerable discussion, initiated by Ms. Hudson, regarding (1) the recommended dedicated right-of-way (preferred) or easement along Greymont Lane; and (2) the Duke Energy easement which follows the property line. If the developer, in agreement with Duke Energy, would dedicate a 45 foot right-of-way within the 60-foot Duke Energy easement, it would meet the City's condition.

In response to Vice-Chair Shriner, Ms. Bernstein said that if this project is not approved, the parcel is not land-locked, because it would remain as it is - frontage on Sardis Road.

In response to Vice-Chair Shriner, Ms. Bernstein said that even though the County's residential development will abut the City's industrial site, the City doesn't have setbacks or buffers from the County property. However, because of the topography and environmentally sensitive area, whatever is built on the property will have to be built on the top part of the parcel.

When Vice-Chair Shriner asked how many affordable units would be required for 108 units, Ms. Bernstein said that City staff recommended 10% be dedicated as affordable (11 units). When City Council reviewed this project, staff suggested 10% dedicated as affordable units for 10 years, as well as all units at workforce rates. The applicant was not agreeable to that. City Council then continued their review, at which time the developer has now scaled down the project size and included the addendum with IFB.

Vice-Chair Shriner felt that there is so much potential for development of other residentially designed uses in that area that more residential units will be built.

Mr. Rick Jackson, representing the developer, said they have cut out 2.5 acres to provide as much industrial land as possible, to be recombined with the existing IFB property for later use. The number of units and building remain as the original proposal. He reviewed their addendum with IFB, with summary as follows (1) Buyer shall reserve at completion, an unlimited number of units for employees of the IFB-Asheville; (2) Units shall be upfitted to blind and visually impaired friendly status; (3) all units shall be leased at 5% discount from standard rental rate; and (4) construction of a mutually acceptable walking trail from complex to IFB plant, provided that at least 5 units are leased by IFB employees. At this time, 20 IFB employees are interested in living in the new development. In addition to providing housing to IFB employees, the sale of the property will enable them to pay off debt. This development will bring in an additional 108 units to the City to help alleviate the housing crisis in our community. He asked for the Commission's support.

Mr. Patrick Bradshaw said that if the project is approved, in lieu of a right-of-way (which might be encumber some with Duke Energy having a vehicle right-of-way to their substation) the developer can be agreeable to recombination of these two properties because of common ownership. They can't do that today because they don't yet own the proposed development piece within the City. The owner will then own two pieces of property that is split-zoned in split-jurisdictions. They would be agreeable to that as a condition in lieu of a dedicated right-of-way or easement. They have reduced their size of the development, thus adding 2.5 additional acres to industrially zoned land owned by IFB. Regarding transit, he disagreed with staff and felt that the development is in range of minimum density for transit.

Interim Planning Director Alan Glines thought that a recombination of property from two different jurisdictions could be done, but it would have to be researched.

When Vice-Chair Shriner asked how many employees worked at IFB, Mr. Jay Hardwig, representing IFB, said that out of the 120 employees that work there, 60-70 are legally blind.

In response to Ms. Hudson, Mr. Bradshaw said that if the City were to deny the conditional zoning, the County would proceed with their portion of the project.

Mr. Hardwig expressed support for the project, noting that the sale of this property will help pay off some debt and be able to support services. He said that housing and transportation is always an issue for their employees and having his apartment complex next door will increase their independence and freedom of movement.

Because there are so many IFB employees who want to live in the complex, Mr. Minicozzi suggested a sidewalk be built between the apartment complex and the IFB building. He understood that there is a walking trail; however, that is a condition between the developer and IFB - not shown on the plans. Mr. Dennis Burton, developer, responded that they did not have a problem with making a walking trail between the complex and the IFB plant a condition.

Mr. Mark Morris, real estate appraisal and broker, explained why he felt this site is not a commercially industrial site, due to no access, grade

Chairman Goldstein opened the public hearing at 8:38 p.m., and when no one spoke, he closed the public hearing at 8:38 p.m.

In response to Vice-Chair Shriner, Mr. Burton said that regarding workforce housing, they are a market rate developer. The rates that we have currently for this area we are well below the maximum workforce housing rates. About affordability, this project is not set up that way. They are offering something to IFB to help them and are also bringing in a total of 356 units to the overall market. He felt that bringing those units to the market and offering discounted rates to IFB employees meets a good faith effort.

Vice-Chair Shriner said that it has been mentioned that there is a growing need for apartments in the area because of the outlet and hotel service industry. Those people don't work at workforce rates, and if you are not willing to dedicate any of those units to affordable rates, then it doesn't serve a purpose for people who can't afford to live there.

Ms. Carter said the developer will respond to market conditions which will rise. She explained that joining the City's affordable housing program gives the City a guarantee that dedicated affordable housing units will remain affordable for a certain period of time when market rates rise. When she asked Mr. Burton what type of guarantee he had, he said couldn't answer the question.

Vice-Chair Shriner felt that if she was asked to give up industrial land, she would prefer some dedicated affordable units.

Mr. Burton felt that part of industrial development is helping out the current industries and making them sustainable. He felt that their purchase of this property will help IFB will help sustain them. He felt that due to the topography and other issues, it would be hard pressed for anyone to pay the money we are paying for this piece of property.

When Vice-Chair Shriner asked what the rates are for the apartments, Mr. Burton said that in August, 2014, the rates for a one-bedroom was \$846; a two-bedroom - \$923; and a three-bedroom - \$1409.

Mr. Minicozzi felt the Commission should not get into the conversation of solving someone else's financial situation. Our policies are to reserve industrial land and our goals about affordability are clear. He wondered if this is a fair balance for us, and even if this is the best location for that. He supported keeping the land industrial.

When Ms. Carter asked what does an average IFB employee make per year, Mr. Hardwig did not know. Ms. Carter then assumed IFB employees don't make \$34,000 a year, which is what would be needed for someone to pay rent for a one-bedroom apartment.

Chairman Goldstein questioned if this is a good stand-alone industrial parcel vs. a residential project adjacent to another residential project that will provide a total of 356 units to this area of the City, plus additional taxes. He didn't see this parcel as a highly desirable industrial property and it would be a shame 15 years from now to see it still a vacant piece of property.

Mr. Edmonds said that there is a need for apartments in western part of Buncombe County. The benefit is that you are creating a tax base for the City now that will generate income. Your alternative that we would be giving up is potential industrial property which Mr. Morris said is not a good piece of industrial property. He felt this is a win/win for the City and the community.

Vice-Chair Shriner was not opposed to the project; however, she was disappointed that they are building 356 units and refuse to dedicate 11 of those to affordable housing units.

Ms. Hudson was more inclined to fight for affordability and infill when it is close to transit and more part of our urban fabric. Supply alone is important, but if we don't ask everyone to provide some affordability, then it's hard to face the next project. But at the same time, she is swayed by the fact that there will be housing there on the County's land and seems like it's a practical solution to tack on a little more on the City's portion and let the City benefit from it.

Mr. Koon noted that Ben Teague, Executive Director for the Economic Development Coalition of Asheville-Buncombe County, said that this property was not suitable for industrial use.

Mr. Koon then moved to recommend approval of the conditional zoning request for Greymont Village Apartments on Sardis Road from Industrial to RM-16 Residential Multi-Family High Density-CZ, and find that the request is reasonable, in the public interest and is consistent with the Comprehensive Plan and other adopted plans, based on the fact that both the Planning & Zoning Commission and City Council have supported similar rezoning actions in the recent past.

Chairman Goldstein offered a friendly amendment for a condition for them to recombine the two parcels (which the applicant requested and agreed to) if it's legally permissible. Discussion about that possible recombination and the ramifications of that recombination followed. Mr. Koon did not accept the friendly amendment.

Chairman Goldstein then offered a friendly amendment for a condition that in order to satisfy right-of-way access concerns, the developer must (1) recombine the two properties, if it's legally permissible; or (2) provide the City a dedicated 45 foot easement on Greymont Lane; or (3) provide the City a dedicated 45 foot right-of-way within the Duke Energy easement, if possible. The applicant accepted that condition. Mr. Koon then accepted the friendly amendment.

Ms. Hudson offered a friendly amendment to the amended motion to (1) include the following reasons to support the approval: (a) the proposal makes use of an inaccessible industrial lot; (b) it is compatible with the scale, bulk and density of the adjacent residential portion on the County parcel; and (c) it provides needed housing supply; and (2) a condition that the applicant provide a 45-foot easement right-of-way if the parcel is not developed. Mr. Koon accepted the friendly amendment.

Vice-Chair Shriner reiterated that the developer should be required to provide some affordable housing.

The amended motion was seconded by Mr. Edmonds, and carried on a 5-2 vote, with Ms. Carter and Mr. Minicozzi voting "no."

Other Business

Chairman Goldstein announced the next meeting on March 4, 2015, at 5:00 p.m. in the First Floor Conference Room in the City Hall Building.

Adjournment

At 9:15 p.m., Mr. Minicozzi moved to adjourn the meeting. This motion was seconded by Vice-Chair Shriner and carried unanimously by a 7-0 vote.